



COSTA MESA SANITARY DISTRICT MINUTES OF BOARD OF DIRECTORS SPECIAL MEETING JUNE 2, 2004

The Board of Directors of the Costa Mesa Sanitary District attended a duly noticed Special Meeting on June 2, 2004 at 11:30 a.m., in Conference Room 1A at the Civic Center, 77 Fair Drive, Costa Mesa.

Directors Present: Arlene Schafer, Greg Woodside, James Ferryman, Arthur Perry
Dan Worthington

Staff Present: Robin B. Hamers, Manager/District Engineer; Thomas A. Fauth,
Assistant Manager; Joan Revak, Clerk of the District; Alan Burns,
General Counsel; Marc Puckett, Treasurer; Bobby Young,
Accountant

Others Present: Wendy Davis, CBIZ Accounting, Tax & Advisory of Orange
County, Inc.

I. Public Comments

There were no public comments made.

II. Total Annual Costs of Proposed CalPERS Contract

In accordance with Government Code Section 7507, the total annual costs of the proposed CalPERS Contract were presented. Director Ferryman motioned to approve the annual costs in the first year amount of \$52,578.00. Director Perry seconded. Motion passed 5-0.

III. Report on New District Treasurer

Mr. Hamers introduced Wendy Davis as the new District Treasurer effective July 1, 2004. Ms. Davis is assisting in the purchase of a new software package for the District and is involved in the selection of an Accountant for the District.

IV. Progress on Items Pertaining to New Headquarters

a. Consider Follow Up Agreements to Close of Escrow for Property at 628 W. 19th Street, Costa Mesa

Documents pertaining to close of escrow were presented for signature by the President and Secretary of the Board of Directors. The Board of Directors approved and the President and Secretary signed the statement of estimated closing costs. The Board unanimously approved the issuance of a closing payment in the amount of \$731,627.82. Ms. Revak will have the check delivered to First American this afternoon in anticipation of closing on June 3, 2004.

Mr. Burns reported the issuance of a letter to the seller stating the District negotiated the property under the threat of condemnation³³

Mr. Fauth reported the receipt of a credit letter from the seller for \$500 in lieu of the seller repairing the water heater.

b. Consider Architectural Plans and Progress of Tenant Improvements

Plans for the tenant improvements are in the approval process at the City of Costa Mesa. Quotations from contractors are due Friday, June 4, 2004.

Attorney Alan Burns suggested the District establish a rental rate from the City of Costa Mesa in the event the new headquarters are not ready for move in on July 1, 2004.

Mr. Fauth reported on software packages investigated by Staff and recommended the District purchase the Springbrook Package. The recommendation was based on a comprehensive review of eight accounting software packages including software capability, ease of programming, technical support, report generation and cost. Director Perry motioned to approve the purchase of the system from Springbrook for a sum not to exceed \$85,000.00. Director Ferryman seconded. Motion carried 5-0.

Director Woodside left the meeting at 12:30 p.m.

c. Update on Purchase of Furniture

Ms. Revak reported the furniture for the new District headquarters has been ordered from Vertex and a 50% deposit made, as approved by the Board of Directors at the regular May 10, 2004 meeting. Delivery time for the furniture is a Mr. Fauth reported on software packages Staff investigated by Staff

and recommended the District purchase the Springbrook Package. The recommendation was based on a comprehensive review of eight accounting software packages including software capability, ease of programming, technical support, report generation and cost. Director Perry motioned to approve the purchase of the system from Springbrook for a sum not to exceed \$85,000.00. Director Ferryman seconded. Motion carried 5-0. approximately four weeks.

d. Consider Computer Requirements for New Building

Mr. Hamers and Mr. Fauth presented a report on District computer requirements. Staff recommended the District add on to the present agreement with TRC who maintain the telemetry system for the District's 20 sewer pump stations. TRC is able to provide the new hardware, software, networking, cabling and installation in the new building. Staff determined that it was in the public's best interest to recommend TRC due to their familiarity with District computer systems allowing them to obtain and install the new components without causing a delay to the schedule. Director Perry motioned to approve the agreement with TRC, for the reasons stated, not to exceed \$75,000, including change orders. Director Ferryman seconded the motion. Motion carried 4-0.

e. Consider Administrative and Personnel Rules and Regulations

Mr. Fauth reported the Administrative and Personnel Rules and Regulations are in the final stages of preparation and will be presented to the Board at the next Special Meeting on June 16, 2004.

President Schafer adjourned the meeting at 1:07 p.m.

Secretary

President